

News Release

FOR IMMEDIATE RELEASE

July 26, 2006

TSX, ASX: AVM

Common shares outstanding 55.5 million

All amounts are expressed in US dollars, unless otherwise stated.

Quarterly Activities Report To Australian Stock Exchange Limited For the Second Quarter Ended June 30, 2006

PERTH – Anvil Mining Limited (TSX, ASX: AVM), (“Company”) and including its subsidiaries (“Group”) is pleased to report on the activities of the Group for the second quarter ended June 30, 2006 in accordance with ASX Listing Rule 5.1. The unaudited Financial Statements and Management’s Discussion and Analysis required under Canadian National Instrument 51-102 will be available on the SEDAR website at www.sedar.com during the second week of August 2006.

Second Quarter Activity Highlights

- Record Group copper production of 11,098 tonnes of copper contained in concentrates and the production of 526,513 ounces of silver.
- Completion of a 4,410 metre deep drilling program at the Dikulushi mine targeting the zone from 300-400 metres below surface.
- Commencement of construction of the Kinsevere project Stage I development comprising an open pit mine, Heavy Media Separation (“HMS”) plant and Electric Arc Furnace at a capital cost of \$35 million.
- Resource drilling on the Kinsevere project, now totalling 10,315 metres and continuing, extension of the Tshifufia mineralisation to the west.
- Successful exercise of all C\$6.25 warrants, originally due to expire on December 16, 2007, but accelerated to June 5, 2006, raising C\$16.4 million.
- Agreement signed with a Washington-based non-government organisation, Pact Inc., for the design and implementation of the Company’s social and community development programs in the vicinity of the Dikulushi Mine.

Mine Production & Development

Dikulushi Mine (90%)

Mining and processing operations at the Company's Dikulushi mine in the Democratic Republic of the Congo ("DRC") continued to produce above the design capacity of 20,000 tonnes of contained copper per annum during the June Quarter. Dikulushi mine production for the past four quarters was as follows:

DIKULUSHI MINE PRODUCTION BY QUARTERS				
	September Quarter 2005	December Quarter 2005	March Quarter 2006	June Quarter 2006
Total Ore Processed (tonnes)	120,822	127,222	128,259	135,234
Head Grade (% Cu)	5.5	5.5	5.0	4.6
Recovery in % (Cu)	86.7	86.3	86.7	89.1
Copper Produced (tonnes)	5,777	6,085	5,505	5,601
Silver Produced (ounces)	586,875	587,882	532,842	526,513

Feed to the treatment plant consisted of high-grade ore from the open pit which was blended with ore from the low-grade stockpiles to produce an average head-grade of 4.6% copper for the June Quarter.

Mining Company Katanga sprl ("MCK"), the local Congolese company contracted to provide the haulage fleet of 40-tonne articulated dump trucks continued to perform well during the Quarter. During the various stages of the development of the Dikulushi mine, the Company has sought to encourage and promote local enterprise involvement in an effort to build local capacity.

During the June Quarter, the establishment of the portal for the Dikulushi Stage III underground mine development commenced and at the end of the Quarter, the decline had progressed approximately 16 metres into the footwall on the northern side of the open pit.

The Deep Drilling program at Dikulushi, targeting the zone between 300m and 400m below surface was completed during April for a total of 4,410m of diamond drilling in 11 drill holes. Preliminary assay results indicate that several holes have intersected high-grade copper mineralisation over significant thicknesses. The geology and structural controls of the deposit are currently under review and a new 3-D model is expected to be completed during the next quarter. It is anticipated that further deep drilling will be required to complete the evaluation of the deposit between the bottom of the current pit design of 150m below surface to 400m below surface and beyond. The Dikulushi open pit is currently 105m deep.

Kulu Mine (70%)

The Kulu Heavy Media Separation (HMS) processing operation located in the Kolwezi Region of the DRC produced a total of 5,497 tonnes of copper contained in oxide concentrates for the June Quarter. Production has improved steadily since commissioning reaching design throughput in May 2006 following the installation of the scrubber and larger screen which resulted in an improved recovery from 58% during the March Quarter to 73% for the June Quarter.

Kulu mine production for the first two full quarters since commissioning in December 2005, was as follows:

KULU MINE PRODUCTION BY QUARTER		
	March Quarter 2006	June Quarter 2006
Total Ore Processed (tonnes)	51,808	80,848
Head Grade (% Cu)	8.0	8.5
Recovery in % (Cu)	58.0	72.6
Copper Produced (tonnes)	2,632	5,497

The above production numbers for the June Quarter include concentrates purchased from local artisanal miners which totalled 1,725 tonnes at an average grade of 28.4% copper.

Kinsevere Project (70%)

A commitment was made during the June Quarter to proceed with the development of Kinsevere Stage II which comprises the construction of an open pit mine operation, HMS plant and an Electric Arc Furnace for a capital expenditure of \$35 million.

Intermet Engineering Pty Ltd, a Perth based company, has been engaged for the engineering design and procurement for the Kinsevere development. Local Congolese companies have also been engaged to the maximum extent possible, and are providing a significant portion of the construction work for the Kinsevere development; Katco sprl are providing steel fabrication services, Congo Construction Company sprl are providing construction of civil works, and MCK sprl are providing the earthworks.

At the end of the June Quarter, the plant site had been cleared, the erection of a construction camp was 65% completed and major equipment items such as crushers, screens, the apron feeder and the scrubber had been ordered. A preliminary agreement has also been reached with SNEL (DRC government-owned power utility) for the supply of hydroelectrical power to the project.

Exploration

Kinsevere Project (Lubumbashi Region)

The drilling program on the Kinsevere Project, located 30km north of Lubumbashi, is progressing well with 2,474m of Diamond drilling, 3,685m of Reverse Circulation (“RC”); and 4,156m of Aircore (“AC”) drilling having been completed to date this year. The identification of an unexpected extension to the thickness of the Third Orebody at the Tshufufia Central deposit has resulted in all attention being focused on this deposit during the current drill program, rather than on

additional drilling on the other two deposits; Tshifufiamashi and Kinsevere Hill. A final report on the oxide resource of the Tshufufia Central deposit will be available at the end of September 2006.

Given these encouraging results, it is now expected that the initial Kinsevere open pit will be focused exclusively on the Tshifufia Central deposit, and, as such, further drilling at the Tshufufiamashi and Kinsevere Hill deposits has been postponed, as has the program at Nambulwa.

Corporate

Financing

During April and early May 2006, the Company's share price traded at C\$8.00 or more allowing the acceleration of the conversion of all C\$6.25 Share Purchase Warrants that were originally due to expire on December 16, 2007. As a result, the conversion date was accelerated to June 5, 2006, and all warrants were exercised raising C\$16.4 million in additional equity capital.

On June 16, 2006 the Company finalized the documentation for a \$15 million financing facility with Fortis Bank, with drawdown availability on June 30, 2006. The Company had commenced discussions in late 2005 on obtaining this as a corporate facility with Fortis Bank in order to replace the existing project financing facility and this was well before deciding upon the recent bought deal financing. Notwithstanding the significant capital raising in March 2006, the Company decided to proceed with establishing the Fortis Bank facility in order to have a debt facility that could be expanded as the need arises with future developments.

Kapulo Joint Venture

During the quarter, Mawson West Ltd ("Mawson"), an ASX listed company, announced the successful completion of due diligence on the Kapulo project located 130 km north-east of the Dikulushi mine and that a drilling program would commence to test the Kapulo deposit.

Mawson can earn up to a 65% interest following the expenditure of \$4 million over a 4 year period.

Protocol

In mid-June, the Company signed a Protocol with the Governor of the DRC Province of Katanga which establishes a set of guidelines for the manner in which DRC security forces may engage the Company during times of security breach or in the event of a natural disaster. Importantly, the Protocol provides for a reporting procedure to various authorities including a number of multi-lateral and bi-lateral organizations, following any event of engagement.

Annual and Special Meeting

The Annual and Special Meeting ("AGM") of the Company was held in Toronto on Thursday May 11, 2006. All resolutions proposed by management were passed at the meeting and Bill Turner, President and CEO, gave an update on the Company and its outlook which was subsequently posted on the Company's website.

Social & Community Development Programs

In early April 2006, the Company signed an agreement with Pact Inc., (“Pact”) a Washington-based non-government organization, for the design and implementation of the Company’s social and community development programs in the vicinity of its Dikulushi mine. Pact is well established in the Katanga Province of the DRC and will add considerable professional capability to the Company’s efforts to create meaningful and sustainable benefits for the local communities in the region of the Company’s operations. The Company has a 90% equity interest in the Dikulushi mine with the remaining 10% held by a Trust Fund for social and community development projects in communities affected by the Dikulushi Mine.

A Sustainability Report outlining all the Company’s social and community development programs for the 2005 year was completed in May 2006 and has been posted on the Company’s website.

Anvil Mining Limited is an unhedged copper and silver producer with two operating mines in the DRC and whose shares are listed for trading on the Toronto Stock Exchange and the Australian Stock Exchange under the symbol AVM.

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Additional Notes:

Caution Regarding Forward Looking Statements: *The forward-looking statements made in this news release are based on assumptions and judgments of management regarding future events and results. Such forward-looking statements, including but not limited to those with respect to the operation of the Dikulushi and Kulu mining and processing operations, the development of the Kinsevere deposits and estimated future production involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the actual market prices of copper and silver, the actual results of current exploration, the actual results of future mining, processing and development activities, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company’s filed documents.*